

ENGINEER'S REPORT

Prepared for the

CITY OF SAN DIEGO

**Mid-City
Maintenance Assessment District**

Annual Update for Fiscal Year 2004

under the provisions of the

**San Diego Maintenance Assessment District Ordinance
of the San Diego Municipal Code**

and

**Landscape and Lighting Act of 1972
of the California Streets and Highways Code**

Prepared by

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May 2003

CITY OF SAN DIEGO

Mayor

Dick Murphy

City Council Members

Scott Peters
District 1

Brian Maienschein
District 5

Michael Zucchet
District 2

Donna Frye
District 6

Toni Atkins
District 3

Jim Madaffer
District 7

Charles Lewis
District 4

Ralph Inzunza, Jr.
District 8

City Manager

Michael T. Uberuaga

City Attorney

Casey Gwinn

City Clerk

Charles G. Abdelnour

City Engineer

Frank Belock

Assessment Engineer

Boyle Engineering Corporation

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Engineer's Report

Mid-City

Maintenance Assessment District

Preamble

Pursuant to the provisions of the "San Diego Maintenance Assessment District Ordinance" (being Division 2, Article 5, Chapter VI beginning at Section 65.0201 of the San Diego Municipal Code), provisions of the "Landscape and Lighting Act of 1972" (being Part 2 of Division 15 of the California Streets and Highways Code), applicable provisions of "Proposition 218" (being Article XIID of the California Constitution), and provisions of the "Proposition 218 Omnibus Implementation Act" (being California Senate Bill 919) (the aforementioned provisions are hereinafter referred to collectively as "Assessment Law"), in connection with the proceedings for the MID-CITY MAINTENANCE ASSESSMENT DISTRICT (hereinafter referred to as "District"), BOYLE ENGINEERING CORPORATION, as Assessment Engineer to the City of San Diego for these proceedings, submits herewith this report for the District as required by California Streets and Highways Code Section 22565.

FINAL APPROVAL, BY RESOLUTION NO. _____ ,
ADOPTED BY THE CITY COUNCIL OF THE CITY OF SAN
DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, ON THE
_____ DAY OF _____, 2003.

Charles G. Abdelnour, CITY CLERK
CITY OF SAN DIEGO
STATE OF CALIFORNIA

Executive Summary

Project: Mid-City Maintenance Assessment District
Apportionment Method: Linear frontage foot (LFF)

	FY 2003	FY 2004 ⁽¹⁾	Maximum ⁽²⁾ Authorized
Total Parcels Assessed:	2,431	2,436	--
<i>Sub-District 1</i>	13	13	--
<i>Sub-District 2</i>	30	30	--
<i>Sub-District 4</i>	121	126	--
<i>Sub-District 12</i>	41	41	--
<i>Sub-District 13</i>	2,226	2,226	--
Total Estimated Assessment:	\$313,365	\$315,515	--
<i>Sub-District 1</i>	\$10,455	\$10,455	--
<i>Sub-District 2</i>	\$11,743	\$12,213	--
<i>Sub-District 4</i>	\$30,697	\$31,886	--
<i>Sub-District 12</i>	\$12,402	\$12,893	--
<i>Sub-District 13</i>	\$248,068	\$248,068	--
Total Number of LFF:	145,650.0	145,650.0	--
<i>Sub-District 1</i>	1,080.0	1,080.0	--
<i>Sub-District 2</i>	1,680.0	1,680.0	--
<i>Sub-District 4</i>	5,404.4	5,404.4	--
<i>Sub-District 12</i>	3,272.2	3,272.2	--
<i>Sub-District 13</i>	134,213.4	134,213.4	--
Assessment per LFF:			
<i>Sub-District 1</i>	\$9.68	\$9.68	\$9.68
<i>Sub-District 2</i>	\$6.99	\$7.27 ⁽³⁾	\$7.27 ⁽³⁾
<i>Sub-District 4</i>	\$5.68	\$5.90 ⁽³⁾	\$5.90 ⁽³⁾
<i>Sub-District 12</i>	\$3.79	\$3.94 ⁽³⁾	\$3.94 ⁽³⁾
<i>Sub-District 13 ⁽⁴⁾</i>	\$9.32/\$6.61/\$0.66	\$9.32/\$6.61/\$0.66	\$9.32/\$6.61/\$0.66

⁽¹⁾ FY 2004 is the City's Fiscal Year 2004, which begins July 1, 2003 and ends June 30, 2004. Total Parcels Assessed, Total Estimated Assessment, and Total Number of LFF may vary from fiscal prior year values due to parcel changes.

⁽²⁾ Maximum Authorized annual amounts subject to cost indexing provisions set forth in this Engineers Report.

⁽³⁾ Fiscal Year 2003 authorized annual assessment increased by cost indexing factor of 3.95%.

⁽⁴⁾ Assessment per LFF for boulevard frontages (Zone 1), boulevard frontages (Zone 2), and side street frontages, respectively.

Proposition 218 Compliance: The District was re-engineered in Fiscal Year 1998 for compliance with Proposition 218. By a ballot proceeding, majority property approved Fiscal Year 1998 assessments, maximum authorized assessments for subsequent years, and provisions for annual cost indexing.

Annual Cost Indexing: An increase of assessments, under authority of annual cost indexing provisions, is required for identified Sub-Districts for Fiscal Year 2004.

Bonds: No bonds will be issued in connection with this District

Background

The Mid-City Maintenance Assessment District (District) was established in July 1987. The original Engineer's Report is on file in the City of San Diego (City) Clerk's office. The District has primarily funded maintenance costs associated with trees and shrubs, landscaped medians, benches, and additional enhanced street lights located within business district areas.

Presently, the District consists of five (5) sub-districts located along Adams Avenue, El Cajon Boulevard, Park Boulevard, and University Avenue. The current sub-districts are located as follows:

- ◆ ***Sub-District #1:*** University Avenue (from Fairmont Avenue to Marlborough Avenue).
- ◆ ***Sub-District #2:*** University Avenue (from 37th Street to Wilson Avenue).
- ◆ ***Sub-District #4:*** Adams Avenue (from Mission Cliff Drive to Florida Street) and Park Boulevard (from Adams Avenue to Mission Avenue).
- ◆ ***Sub-District #12:*** University Avenue (from 10th Avenue to Herbert Street).
- ◆ ***Sub-District #13:*** El Cajon Boulevard (from I-805 to 54th Street); divided into two zones: I-805 to 44th Street (Zone 1), and 44th Street to 54th Street (Zone 2).

The District boundary and benefit apportionment methodology were reviewed and re-formulated in June 1997, primarily for purposes of increasing assessments, annexing additional areas into the District, adding provisions for cost indexing of all assessments, and complying with Proposition 218. By a mail ballot proceeding, property owners approved the re-engineering. The Engineer's Report, preliminarily accepted by Resolution Number R-289040 on August 5, 1998, proposed Fiscal Year 1999 assessments, maximum authorized assessments for subsequent years, and provisions for annual cost indexing of the maximum authorized assessments.

Over the years, sub-districts have been annexed into and de-annexed out of the District. Many de-annexed sub-districts were annexed into other districts. Table 1 chronicles the annexations and de-annexations since 1987.

TABLE 1: Sub-District History

Sub- District Number	Date of Annexation	Date of De-Annexation	Current District
1	September 1989	--	Mid-City
2	September 1988	--	Mid-City
3	September 1988	1996	Adams Avenue
4	November 1993	--	Mid-City
(parcels added)	November 1994	--	Mid-City
5	September 1988	1996	North Park
6	September 1988	1996	Adams Avenue
7	September 1989	1996	Adams Avenue
8*	January 1992	2000	--
9	January 1992	1996	North Park
10*	November 1993	2000	--
11*	August 1997	2000	--
12	May 1999	--	Mid-City
13	May 2000	--	Mid-City

* De-annexed and incorporated into Sub-District #13 as part of the Fiscal Year 2001 proceedings.

District Proceedings for Fiscal Year 2004

This District is authorized and administered under the provisions of the "San Diego Maintenance Assessment District Procedural Ordinance of 1986" (being Division 2, Article 5, Chapter VI beginning at Section 65.0201 of the San Diego Municipal Code), provisions of the "Landscape and Lighting Act of 1972" (being Part 2 of Division 15 of the California Streets and Highways Code), applicable provisions of "Proposition 218" (being Article XIID of the California Constitution), and provisions of the "Proposition 218 Omnibus Implementation Act" (being California Senate Bill 919) (the aforementioned provisions are hereinafter referred to collectively as "Assessment Law"). This report has been prepared in compliance with Assessment Law.

The purpose of the proposed proceedings and this Engineer's Report is to update the District budget and assessments for Fiscal Year 2004. Some of the Fiscal Year 2004 assessments proposed within this Engineer's Report represent an increase from the previous year's assessments. The increase is under authority of annual cost indexing provisions approved by the voters. Therefore, the vote requirements of Section 4 of Article XIID do not apply to these proceedings.

A public hearing will be scheduled where public testimony will be heard by the Council, and the Council may, at its discretion, adopt a resolution ordering the levying of the proposed assessments.

Bond Declaration

No bonds will be issued in connection with this District.

District Boundary

The Boundary Map and Assessment Diagram for the Mid-City Maintenance Assessment District are on file in the Maintenance Assessment Districts Section of the Park and Recreation Department of the City of San Diego and by reference are made a part of this report. The Boundary Map and Assessment Diagram for the District are available for public inspection during normal business hours. The District boundary is depicted in Exhibit A.

Project Description

The project to be funded by the proposed assessments is the maintenance of trees and shrubs, landscaped medians, graffiti removal, median gutter sweeping, benches, and additional enhanced street lights within the District's boundaries. The District maintains approximately 55,424 square feet of landscaped medians. All landscape and lighting improvements to be maintained by the District fall within dedicated City public right-of-way.

The engineering drawings for the improvements maintained by the District are on file at Map Records in the City Engineer's office and are incorporated herein. The drawings are as follows: D-23541 (Sub-District #1); D-24603 (Sub-District #2); D-24918 & D-26996 (Sub-District #4); D-28376 (Sub-District #12); and D-26455, D-27012 & D-28301 (Sub-District #13). Additional details related to specific Sub-District improvements are contained in documents incorporated by reference into prior Engineer's Reports prepared for purposes of District formation.

The specifications for maintenance to be performed are contained in City Contract Numbers L3261/00, L3768/01, L3491/01 which are incorporated herein by reference and are on file with the City Clerk

and the Park and Recreation Department. The specifications are available for public inspection during normal business hours.

Separation of General and Special Benefits

Consistent with City policy for the public at large, the City will provide the District with annual contributions from the Gas Tax Fund for median maintenance (18.0¢ per square foot of landscaped median and 1.3¢ per square foot of hardscaped median) and from the Environmental Growth Fund for open space maintenance (\$26.63 per acre). In addition, the City will contribute for lighting maintenance and energy costs an amount equivalent to that used for City minimum required streetlights. These cost allocations are considered to be “general benefit” administered by the District. All other maintenance, operations, and administration costs associated with the District, which exceed the City’s contribution to the public at large, are accordingly considered to be “special benefit” funded by the District.

Cost Estimate

Estimated Costs

Estimated Fiscal Year 2004 annual expenses, revenues, reserves, and assessments (provided by the City) for the entire District and individual sub-districts are included as Exhibit B hereto.

Annual Cost Indexing

With the passage of Proposition 218, any proposed increase in assessments must be placed for approval before the property owners by a mail ballot and a public hearing process, similar to these proceedings. A majority of ballots received must be affirmative for the City Council to confirm and levy the increased assessments. For small assessment districts or districts with relatively low dollar assessments, the cost of an engineer’s report, balloting, and the public hearing process can potentially exceed the total cost of the increase. These incidental costs of the proceedings can be added to the assessments, resulting in even higher assessments.

Indexing assessments annually to the San Diego Consumer Price Index for Urban Consumers (SDCPI-U), as approved by the District property

owners in Fiscal Year 1999, allows for minor increases for normal maintenance and operating cost escalation without incurring the costs of the Proposition 218 ballot proceedings. Any significant change in the assessment initiated by an increase in service provided or other significant changes to the District would still require the Proposition 218 proceedings and property owner approval.

The maximum authorized assessment established in the Fiscal Year 1998 proceedings are authorized to be indexed (increased or decreased) annually by the factor published in the SDCPI-U. Fiscal Year 1999 was the first year authorized for such indexing. For Sub-Districts 2, 4, and 12, it has been determined that an increase of assessments, as authorized by the cost indexing provisions, is required for Fiscal Year 2004.

Method of Apportionment

Estimated Benefit of the Improvements

The Transportation Element of the City's General Plan and the general policy recommendations found in the local Community Plan establish several goals for the community's transportation system. The improvements being maintained by the District are consistent with the plans' goals for safety and pleasing aesthetics. All benefits assessed to the District are special to this District and are distinct from other parcels in the City.

The improvements (enhanced landscape, streetscape, medians, benches, and additional street lighting) benefit parcels by enhancing the visual aesthetics of the business districts, establishing a continuity of business district appearance, increasing land and business values, promoting public safety and a sense of security for the clientele and employees through increased night lighting, reducing graffiti problems, and creating a sense of community identity and pride.

Apportionment Methodology

It is estimated that the benefit received by each parcel is directly proportional to the linear front footage (LFF) of each parcel fronting the improvements. The total LFF for each sub-district has been divided into the estimated cost for each respective sub-district to determine the

assessment per LFF for each sub-district. For Sub-District #13 (which contains two zones), assessments per LFF have been calculated separately for boulevard frontage and side-street frontage.

Summary Results

The District boundary is presented in Exhibit A.

An estimate of the costs of the improvements provided by the District is included as Exhibit B to this report.

The assessment methodology utilized is as described in the text of this report. Based on this methodology, the LFF and Fiscal Year 2004 District assessment for each parcel were calculated and are shown in the Assessment Roll (Exhibit C).

Each lot or parcel of land within the District has been identified by unique County Assessor's Parcel Number on the Assessment Roll and the Boundary Map and Assessment Diagram referenced herein. The net assessment for each parcel for Fiscal Year 2004 can be found on the Assessment Roll.

This report has been prepared and respectfully submitted by:

BOYLE ENGINEERING CORPORATION

Eugene F. Shank, PE C 52792

Alex Bucher, EIT CA 112628

I, _____, as CITY CLERK of the CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, do hereby certify that the Assessment as shown on the Assessment Roll, together with the Assessment Diagram, both of which are incorporated into this report, were filed in my office on the _____ day of _____, 2003.

Charles G. Abdelnour, CITY CLERK
CITY OF SAN DIEGO
STATE OF CALIFORNIA

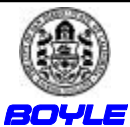
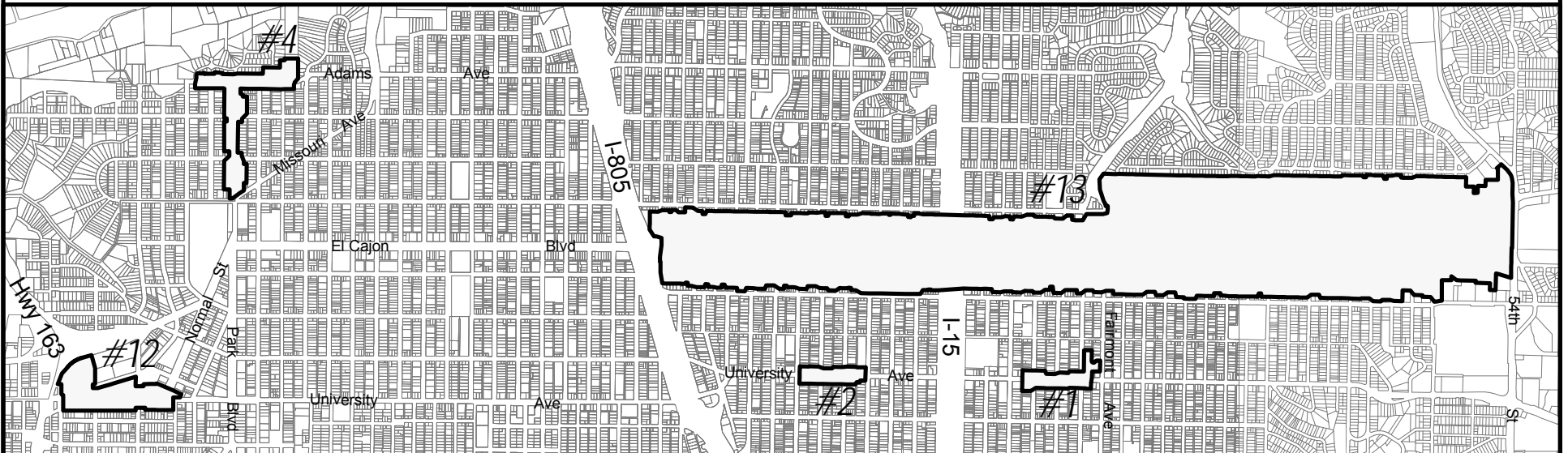
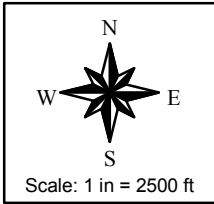
I, _____, as CITY CLERK of the CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, do hereby certify that the foregoing Assessment, together with the assessment diagram incorporated into this report, was approved and confirmed by the CITY COUNCIL of said City on the _____ day of _____, 2003.

Charles G. Abdelnour, CITY CLERK
CITY OF SAN DIEGO
STATE OF CALIFORNIA

I, _____, as SUPERINTENDENT OF STREETS of the CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, CALIFORNIA, do hereby certify that the foregoing Assessment, together with the assessment diagram was recorded in my office on the _____ day of _____, 2003.

SUPERINTENDENT OF STREETS
CITY OF SAN DIEGO
STATE OF CALIFORNIA

EXHIBIT A



Mid-City Maintenance Assessment District INDEX MAP

EXHIBIT A

EXHIBIT B

Maintenance Assessment Districts

Council Districts: 3 and 7
Fund: 70234

Mid-City

Mid-City Maintenance Assessment District			
	FY 2002 ACTUAL	FY 2003 BUDGET	FY 2004 PROPOSED
Positions	0.55	0.55	0.55
Personnel Expense	\$ 17,448	\$ 41,238	\$ 41,315
Non-Personnel Expense	188,841	537,489	802,233
TOTAL	\$ 206,289	\$ 578,727	\$ 843,548

The Mid-City Maintenance Assessment District (District) was established in July 1987 to provide maintenance of street trees, landscaped medians, benches and enhanced streetlights within the District boundaries. The District currently consists of five Sub-districts (1, 2, 4, 12, 13) within the Mid-City area located along Adams Avenue, El Cajon Boulevard, Park Boulevard, and University Avenue.

The Mid-City Maintenance Assessment District Committees for each Sub-district approved their Fiscal Year 2004 Proposed budgets by March 12, 2003.

MID-CITY	FY 2003 ESTIMATE	FY 2004 PROPOSED
BALANCE	\$ 409,217	\$ 477,127
Revenue		
Assessments	\$ 312,998	\$ 315,515
Interest	12,470	20,930
Developer Contribution	-	20,000
City Contributions	9,976 ⁽¹⁾	9,976 ⁽¹⁾
TOTAL OPERATING REVENUE	\$ 335,444	\$ 366,421
TOTAL REVENUE AND BALANCE	\$ 744,661	\$ 843,548
Expense		
Personnel	\$ 36,882	\$ 41,315
Contractual	126,232	151,356
Incidental	37,432	270,571
Utilities	66,988	76,360
Contingency Reserve	-	303,946
TOTAL EXPENSE	\$ 267,534	\$ 843,548
BALANCE	\$ 477,127	\$ -
Assessment Rate per Linear Foot Footage (LFF): ⁽²⁾	FY 2003	FY 2004
Sub-District 1	\$9.68	\$9.68
Sub-District 2	\$6.99	\$7.27 ⁽³⁾
Sub-District 4	\$5.68	\$5.90 ⁽³⁾
Sub-District 12	\$3.79	\$3.94 ⁽³⁾
Sub-District 13-1	\$9.32/\$0.66	\$9.32/\$0.66
Sub District 13-2	\$6.61/\$0.66	\$6.61/\$0.66

⁽¹⁾ In Fiscal Year 2003, the City contributed general benefit of \$1,431 from Gas Tax for maintenance of 7,950 square feet of landscaped medians in Sub-district 12, and \$8,545 for 47,474 square feet in Sub-district 13 at \$0.18 per sq. ft. In Fiscal Year 2004, the City will contribute general benefit of \$1,431 from Gas Tax for maintenance of 7,950 square feet of landscaped medians in Sub-district 12, and \$8,545 for 47,474 square feet in Sub-district 13 at \$0.18 per sq. ft.

⁽²⁾ The District contains a total of 145,650.0 Linear Front Feet (LFF). All Sub-districts are assessed on major street frontages except for Sub-district 13, where the side-street frontages are also assessed.

⁽³⁾ The assessment increase in Sub-Districts 2, 4 and 12 is based on the San Diego Urban Consumer Price Index (SDCPI-U) of 3.95 percent.

EXHIBIT B

EXHIBIT C

Due to the size of the Assessment Roll (Exhibit C), only limited copies are available. Please contact the City of San Diego, Park & Recreation Department, Open Space Division, Maintenance Assessment Districts Program at (619) 685-1350 to review the Assessment Roll.